

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name Public Libraries of Saginaw	County Saginaw
Audit Date June 30, 2005	Opinion Date August 12, 2005	Date Accountant Report Submitted to State: November 7, 2005	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

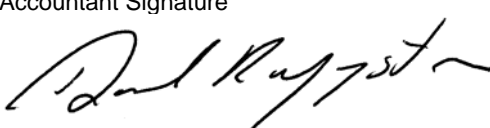
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable boxes for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL: 129/91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reports on individual federal financial assistance programs (program audits).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Single Audit Reports (ASLGU).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Certified Public Accountant (Firm Name) Yeo & Yeo CPA's			
Street Address 3023 Davenport	City Saginaw	State MI	ZIP 48602
Accountant Signature 			

PUBLIC LIBRARIES OF SAGINAW, MICHIGAN

Annual Financial Statements

and

Auditors' Report

June 30, 2005

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**PUBLIC LIBRARIES OF SAGINAW, MICHIGAN
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2005**

LIBRARY BOARD

CAROL SELBY

PRESIDENT

TINA GUTIERREZ

VICE PRESIDENT

JOAN B. BROWNELL

TREASURER

NEVILLE BRITTO

SECRETARY

RALPH MARTIN

BOARD MEMBER

ANN SCHNEIDER BRANCH

BOARD MEMBER

PAMELA CLARK

BOARD MEMBER

ADMINISTRATION

TRISHA BURNS

LIBRARY DIRECTOR



3023 Davenport
Saginaw, MI 48602
Phone (989) 793-9830 / (800) 968-0010
Fax (989) 793-0186

Independent Auditors' Report

To the Board
Public Libraries of Saginaw, Michigan
Saginaw, Michigan

We have audited the basic financial statements of the Public Libraries of Saginaw, Michigan, as of and for the year ended June 30, 2005, as listed in the table of contents. The financial statements are the responsibility of the Public Libraries of Saginaw, Michigan's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The Public Libraries of Saginaw, Michigan, the Saginaw Public Libraries Foundation and the Hoyt Trust are separate entities having significant interrelationships, however, each is funded separately. The Public Libraries of Saginaw, Michigan contractual expense to the Hoyt Trust is primarily for maintenance and occupancy expenses of the Hoyt Public Library. Our audits of the Hoyt Trust and Saginaw Public Libraries Foundation are under separate cover.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Public Libraries of Saginaw, Michigan, at June 30, 2005 and its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information identified in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Libraries basic financial statements. The accompanying other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Yeo & Yeo, P.C.

Saginaw, Michigan
August 12, 2005

Public Libraries of Saginaw, Michigan

Management's Discussion and Analysis

June 30, 2005

This section of the financial report presents our discussion and analysis of the Public Libraries of Saginaw financial performance during the year ended June 30, 2005. It is meant to provide an overall review of the Library's financial activities and provide a look at its past and current financial position. Readers should also review the Library's financial statements, immediately following this section, to enhance their understanding of the Library's financial performance.

This financial report is presented in the format required by the Governmental Accounting Standards (GASB) in their Statement Number 34, issued in June of 2000. Certain comparative information is required to be contained in financial statements that are prepared according to GASB 34 guidelines.

Using this Annual Report

This annual report consists of the following three parts:

- Management's Discussion and Analysis (this section)
- Basic Financial Statements
- Required Supplemental Information
- Other Supplemental Information

These statements are organized to help the reader understand the financial position of the Public Libraries of Saginaw as a whole. The Government-wide Financial Statements provide information about the activities of the Library as a whole. The fund financial statements provide the next level of detail, providing more detailed information about the Library's General Fund. The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by required supplemental information that supports and further

explains the financial statements with a comparison of the Library's budget for the year.

Government-Wide Financial Statements

The Government-wide statements are new and provide financial information of the Library as a whole. They report on the governmental activities of the Library, which includes most of the Library's basic services, including programming and technology. These activities are mostly funded by property taxes, penal fines and state shared revenue. These statements use the full accrual basis of accounting, similar to private sector companies. There are two Government-wide statements: The Statement of Net Assets and the Statement of Activities.

The **Statement of Net Assets** includes all the assets and liabilities of the Library, whether short-term or long-term, and regardless of whether or not they are currently available. As a result, capital assets and long-term obligations of the Library are included in this statement.

The **Statement of Activities** accounts for current year revenues regardless of when cash is received or paid, consistent with the full accrual basis method of accounting. The intent of this statement is to summarize and simplify the user's analysis of the costs of various Library services.

When analyzed these two statements together help the reader determine whether the Library is financially stronger or weaker as a result of the year's activities. Both statements report the Library's net assets, which is the difference between the Library's assets and liabilities. The change in net assets is one way to measure the Library's financial health or position. Over time, increases and decreases in the Library's net assets

Public Libraries of Saginaw, Michigan

Management's Discussion and Analysis

June 30, 2005

are an indicator of whether the Library's financial health is improving or deteriorating. However, the Library's goal is to provide services to our patrons, not generate profits as in the private sector. As a result, other non-financial factors should be considered in assessing the overall health of the Library. Such factors would include the condition of the Library's buildings and the property tax base of the Library.

Fund Financial Statements

The fund financial statements focus on providing more detailed information about the major funds of the Library and not on the Library as a whole, as reported in the Government-wide statements. The fund level statements are reported on a *modified accrual basis*. Only those assets that are "*measurable*" and "*currently available*" are reported. Liabilities are recognized to the extent they are normally expected to be paid with current financial resources. The fund statements provide a detailed short-term view of the Library's operations and help in determining whether there are more or less financial resources available in the near future to finance the Library's programs and services provided.

In general, the fund financial statements have changed very little as a result of GASB 34 requirements and are comparable to prior year financial statements. The primary difference is that the Account Groups (General Fixed Assets and general Long-term Debt) are no longer reported.

Summary of Net Assets

<u>Government Activities</u>	<u>2005</u>	<u>2004</u>
Assets		
Current assets	\$ 10,110,939	\$ 9,379,008
Capital assets	<u>4,338,424</u>	<u>4,500,313</u>
Total assets	<u>14,449,363</u>	<u>13,879,321</u>
Liabilities		
Current liabilities	190,573	177,925
Long-term liabilities	<u>76,550</u>	<u>70,514</u>
Total liabilities	<u>267,123</u>	<u>248,439</u>
Net Assets		
Total capital assets	4,338,424	4,500,313
Unrestricted	<u>9,843,816</u>	<u>9,130,569</u>
Total net assets	<u>\$ 14,182,240</u>	<u>\$ 13,630,882</u>

The net assets for the Library were \$14,182,240 at June 30, 2005. The largest portion of the Library's net assets consist of unrestricted net assets that will be used for funding future programming, capital improvements, material, technology upgrades, and for maintaining adequate cash flow to eliminate the need for borrowing.

Unrestricted net assets are similar but not identical to fund balance. A reconciliation of the difference between the change in net assets and a change in fund balance is included the basic financial statements.

**Public Libraries of Saginaw, Michigan
Management's Discussion and Analysis
June 30, 2005**

Statement of Net Assets Operating Results

<u>Governmental Activities</u>	<u>2005</u>	<u>2004</u>
Revenues		
Program revenues		
Charge for services	\$ 280,014	\$ 244,199
Operating grants and contributions	709,522	682,493
General revenue		
Property tax	3,528,559	3,613,975
SBT tax	273,198	273,198
Penal fines	532,295	515,141
State aid - unrestricted	117,583	117,785
Interest and investment earnings	232,838	111,253
Other	<u>38,182</u>	<u>33,804</u>
Total revenues	<u>5,712,191</u>	<u>5,591,848</u>
Expenses		
Main Library	3,207,081	3,005,555
Zauel Library	897,142	841,351
Butman-Fish Library	774,695	728,176
Claytor Library	137,190	121,558
Ruth Brady Wickes Library	144,725	126,735
Depreciation - unallocated	<u>-</u>	<u>173,999</u>
Total expenses	<u>5,160,833</u>	<u>4,997,374</u>
Increase in net assets	551,358	594,474
Net assets - beginning of year	<u>13,630,882</u>	<u>13,036,408</u>
Net assets - end of year	<u>\$ 14,182,240</u>	<u>\$ 13,630,882</u>

As shown above, the net assets for the Library increased by \$551,358 during the year.

The *Statement of Activities* presented later in the government-wide financial statements provides greater detail on the Library's annual activity. As reported in the statement of activities, the cost of all government activities this year was over \$5.1 million. However, the amount that was ultimately financed by our taxpayers through property taxes was \$3.8 million. Nearly 9.3% of the Library's revenue is from penal fines and 2% is from state shared revenue.

Up until July 1, 2004, the Library levied 4 mills of tax on property in the City of Saginaw, Kochville Township, and the City of Zilwaukee. Beginning July 1, 2004, we are able to levy only 3.9947 mills because of the Headlee Tax rollback we experienced as a result of higher growth than expected in Kochville Township and the City of Zilwaukee.

Local Property Tax History

<u>Fiscal Year</u>	<u>% of</u>	<u>Local</u>
<u>Revenue</u>	<u>Revenue</u>	<u>Property Tax</u>
2005	62%	\$ 3,528,559
2004	65%	3,613,975
2003	60%	3,686,937
2002	66%	3,779,060
2001	64%	3,622,279

Local property tax revenues in the table include the receipt of delinquent taxes from prior years.

Public Libraries of Saginaw, Michigan

Management's Discussion and Analysis

June 30, 2005

Budgetary Highlights

The library added \$617,503 to its fund balance this year. This exceeds our expectation of a balanced budget. Some of the overage was due to receiving \$40,000 more than budgeted in penal fines. \$24,000 of the amount received over budget for Renaissance Zones resulted from the expansion of those zones in the City of Saginaw. We expect these amounts to remain steady for the near term. Interest income was up \$22,000 due to rising interest rates. Only \$8,000 was budgeted for Universal Service Fund this year because of difficulty in the prior year with funding approval, but we received \$16,500 more after re-submission following a clarification of the process. Interest on delinquent taxes was over budget by \$12,000 due to the unexpected payment of interest along with the revenue from the Saginaw County purchase of real property taxes.

Several changes in personnel during the year also aggregated into a significant amount of savings to the library in the professional salary line. The Director left in the fall and the position was not filled until March. Zauel's Branch Head position was vacated and replaced with someone on a lower step of the salary scale. The same issue accounted for savings at the Hoyt branch when a top-of-the-scale reference librarian replaced the cataloger and her position was filled with an employee who started at the bottom of the salary scale. There was also a vacancy in the IT department that resulted in savings.

The institution of a statewide delivery system in collaboration with the Mid Eastern Michigan Library Cooperative (MMLC) resulted in significant savings on postage as interlibrary loan items are now shipped through this service rather than being mailed.

Finally, a close watch on system expenditures, a reduction in telecommunication and Valley Library Consortium costs because of cost-sharing with new members, and a change in some technology plans resulted in a combined saving for the library with no change in quality or quantity of services.

Budget Adjustments

Mid year budget adjustments were minimal. The two items of any significance were Delinquent Tax Adjustment, which increased by \$8,500 for an unexpected chargeback of unpaid property taxes by the county. The second item of note was a \$8,500 increase in Contractual Expense for MMLC at the Zauel branch because of inexperience in budgeting for fees for this first year with our new cooperative. There was a misunderstanding regarding expenses being offset by revenues.

In October, adjustments were made to move funds received from the Judith Heavenrich bequest into expenditure lines for the Summer Reading Program and other programming lines. The budget for the Partnership Grant was increased by \$13,000 in advance of state reimbursement and to compensate for the funding match payable by the Library. Another change was an increase in Cooperative Contractual Expense for the Public Libraries of Saginaw fund, again due to a shortfall because of our inexperience with this cooperative.

End of the year budget adjustments included some increases in Secretarial Salaries and unemployment expenses in anticipation of pending claims. A \$2,000 increase was made in security guard service at Butman Fish. This was due to a simple miscalculation of the total annual hours set at budget time. Another increase was made to Cooperative Contractual expense of \$21,000 for the Public Libraries and \$8,400 for

Public Libraries of Saginaw, Michigan Management's Discussion and Analysis June 30, 2005

Zauel. With expenses of \$47,762, and receipts of \$20,763 for PLOS, the net expense is \$27,000, which is equivalent to the first budget adjustment amount in October. Zauel's net expense is \$11,235, also the same as their adjustment amount in October.

The Library's actual general fund revenues were more than the budget by \$138,438 a variance of 2.5%. Actual general fund expenditures were more than the budget by \$477,877 a variance of 9.6%.

Revenue Threats

There are several threats looming in the future for Library revenue. Penal fines, after an 18% decline in receipts last year, rose about 3% due to the county's intensified collection efforts. During the first three months of the fiscal year collections have been flat, according to figures received from Saginaw County. We are hoping that another push for collections will increase receipts again this year, but the unreliability of this revenue source makes it difficult to depend on, or budget for, these funds.

Current local taxes continue to be of concern. This year's tax revenue was below budget by \$16,500, while the prior year's receipts were over by about \$42,000. The decrease is due to declining City of Saginaw tax revenue and would have been much worse overall if not for the increase in receipts from Kochville Township. We expect even further decline because of the Delphi bankruptcy filing, but will not have definite information on its effects until at least the spring of 2006.

Tax abatements will continue to affect our revenues, especially in the city. We know that declines in city population,

demolition of property and the resultant loss in tax base will affect us even more as time goes on.

In addition, an apparent loophole in Renaissance Zone rules has started a trend of businesses moving from non-Renaissance Zones in the city in which they paid taxes, to tax-free Renaissance Zone properties that have been vacated. This results in a further loss to the city tax base and circumvents the good intentions of lawmakers to spur new business in the inner city. Funds that would have supported municipal and library services and improvements necessary to the well-being of our community are only partially reimbursed by the state through Renaissance Zone legislation. Fortunately, this reimbursement has mitigated some of the impact.

State Aid funding is also in question. The recent state budget has cut 7% from the prior year's State Aid amount. This should result in an \$8,000 decrease in our funding. A real possibility of additional cuts at mid-year remains.

Lastly, we are still facing the sunset of the Single Business Tax Inventory Reimbursement which is scheduled to end in 2008. This funding brings us \$273,000 annually and will be sorely missed.

Requests for Information

This financial report is designed to provide a general overview for anyone interested in the Library's finances and to demonstrate the Library's accountability for the money it received. Questions concerning this report or requests for additional information should be addressed to:

**Public Libraries of Saginaw, Michigan
Management's Discussion and Analysis
June 30, 2005**

Library Director
Public Libraries of Saginaw
505 Janes Avenue
Saginaw, MI 48607
Telephone number (989) 755-9833

Component Units

The component units' columns in the financial statements include the financial data of the Library's two component units, Hoyt Trust and Saginaw Public Libraries Foundation. These units, which have the same board members as the Public Libraries of Saginaw, Michigan are reported in separate columns to emphasize that they are legally separate from the Library.

The Library's financial statements include condensed financial statements of the Hoyt Trust. The Library's financial statements include complete financial statements of the Saginaw Public Libraries Foundation. Complete audited financial statements of the Hoyt Trust and Saginaw Public Libraries Foundation can be obtained from the administrative offices of the Public Libraries of Saginaw, Michigan at 505 Janes Street, Saginaw, Michigan 48607.

Public Libraries of Saginaw, Michigan
Statement of Net Assets
June 30, 2005

	<u>Primary Government</u>	<u>Component Units</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 9,258,178	\$ 400,533
Investments	-	924,096
Accounts receivable	660,441	9,526
Interest receivable	97,780	-
Due from other governmental units	47,000	-
Prepaid expenses	47,540	-
Total current assets	<u>10,110,939</u>	<u>1,334,155</u>
Noncurrent assets		
Assets held by others	-	702,246
Capital assets, less accumulated depreciation of \$1,485,350	<u>4,338,424</u>	<u>4,647,061</u>
Total noncurrent assets	<u>4,338,424</u>	<u>5,349,307</u>
Total assets	<u>14,449,363</u>	<u>6,683,462</u>
Liabilities		
Current liabilities		
Accounts payable	61,968	47,173
Accrued payroll and related liabilities	114,145	-
Deferred revenue	14,460	-
Total current liabilities	<u>190,573</u>	<u>47,173</u>
Noncurrent liabilities		
Accrued compensated absences	<u>76,550</u>	<u>-</u>
Total liabilities	<u>267,123</u>	<u>47,173</u>
Net Assets		
Invested in capital assets	4,338,424	4,647,061
Restricted for:		
Hoyt Trust	-	1,000,108
Saginaw Public Library Foundation	-	305,911
Unrestricted	<u>9,843,816</u>	<u>683,209</u>
Total net assets	<u>\$ 14,182,240</u>	<u>\$ 6,636,289</u>

See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Statement of Activities
Year Ended June 30, 2005

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities Component Units
Primary government					
Governmental activities					
Main library	\$ 3,207,081	\$ 235,263	\$ 78,487	\$ -	\$ (2,893,331) \$ -
ZaueI	897,142	44,751	631,035	-	(221,356) -
Butman Fish	774,695	-	-	-	(774,695) -
Claytor	137,190	-	-	-	(137,190) -
Ruth Brady Wickes	144,725	-	-	-	(144,725) -
Total governmental activities	<u>\$ 5,160,833</u>	<u>\$ 280,014</u>	<u>\$ 709,522</u>	<u>\$ -</u>	<u>(4,171,297)</u> <u>-</u>
Component units					
Hoyt Trust	\$ 173,839	\$ 168,714	\$ 9,323	\$ -	- 4,198
Saginaw Public Library Foundation	32,045	-	23,569	-	- (8,476)
Total component activities	<u>\$ 205,884</u>	<u>\$ 168,714</u>	<u>\$ 32,892</u>	<u>\$ -</u>	<u>-</u> <u>(4,278)</u>
General revenues					
Property taxes, levied for general purposes					3,528,559 -
Penal fines					532,295 -
Single Business Tax					273,198 -
State aid - unrestricted					117,583 -
Interest and investment earnings					232,838 61,982
Other					38,182 47,058
Realized gain on sale of investments					- 1,627
Total general revenues, special items, and transfers					<u>4,722,655</u> <u>110,667</u>
Change in net assets					551,358 106,389
Net assets - beginning					<u>13,630,882</u> <u>6,529,900</u>
Net assets - ending					<u>\$ 14,182,240</u> <u>\$ 6,636,289</u>

See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Balance Sheet
General Fund
June 30, 2005

Assets

Cash and cash equivalents	\$ 9,258,178
Accounts receivable	660,441
Interest receivable	97,780
Due from other governmental units	47,000
Prepaid expenses	<u>47,540</u>
 Total assets	 <u><u>\$ 10,110,939</u></u>

Liabilities

Accounts payable	\$ 61,968
Accrued payroll and related liabilities	114,145
Deferred revenue	<u>159,240</u>
 Total liabilities	 <u>335,353</u>

Fund balance

Reserved for encumbrances	
Saginaw Public Library	59,469
Zauel Public Library	7,339
Designated by the board for	
Zauel operations	498,088
Technology upgrade	594,612
Repair, replacement and improvement	1,245,000
Materials	164,791
Procurements and operations	275,450
Undesignated	<u>6,930,837</u>
 Total fund balance	 <u>9,775,586</u>
 Total liabilities and fund balance	 <u><u>\$ 10,110,939</u></u>

See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Reconciliation of the Balance Sheet of
General Fund to the Statement of Net Assets
June 30, 2005

Total general fund balance \$ 9,775,586

Total net assets reported for governmental activities in the statement of net assets is different because:

Deferred property taxes	\$ 47,000	
Accrued interest receivable	<u>97,780</u>	144,780

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Those assets consist of:

Land	35,000	
Buildings and building improvements	1,650,799	
Furniture and equipment	533,662	
Leasehold improvements	3,604,313	
Accumulated depreciation	<u>(1,485,350)</u>	4,338,424

Long-term liabilities applicable to governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets.

Balances as of June 30, 2005 are as follows:

Compensated absences payable		<u>(76,550)</u>
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Net assets of governmental activities \$ 14,182,240

Public Libraries of Saginaw, Michigan
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
Year Ended June 30, 2005

Revenues

Current local taxes	\$ 3,388,457
Interest on delinquent taxes	13,066
Payments in lieu of taxes	134,629
Delinquent taxes	1,473
Single business tax	273,198
Contract income	769,969
State aid	117,583
Grants	20,359
Contributions and gifts	49,858
Book fines and fees	54,731
Penal fines	532,295
Telefacsimile fees	3,484
Copy machines	11,377
Investment income	121,992
Microcomputer support and maintenance	4,512
Universal service fund	24,570
Concessions	19,528
Processing data entry	39,813
Miscellaneous	7,517
Total revenues	<u>5,588,411</u>

Expenditures

Main library	3,080,021
Zaue	887,036
Butman Fish	750,412
Claytor	133,952
Ruth Brady Wickes	141,487

Total expenditures	<u>4,992,908</u>
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Excess of revenues over expenditures	595,503
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Other financing sources

Operating transfers in	<u>22,000</u>
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Excess of revenues and other financing sources over expenditures	617,503
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Fund balance - beginning of year	<u>9,158,083</u>
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Fund balance - end of year	<u><u>\$ 9,775,586</u></u>
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See Accompanying Notes to Financial Statements

Public Libraries of Saginaw, Michigan
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
General Fund to the Statement of Activities
Year Ended June 30, 2005

Net change in fund balances - general fund			\$ 617,503
Total change in net assets reported for governmental activities in the statement of activities is different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Depreciation expense			(161,889)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.			
Property taxes	\$	4,000	
Interest receivable		<u>97,780</u>	101,780
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Change in compensated absences payable			<u>(6,036)</u>
Change in net assets of governmental activities			<u>\$ 551,358</u>

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Public Libraries of Saginaw, Michigan, have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to the Library. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies are described below.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, normally supported by taxes and inter-governmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly excluded from program revenue are reported as general revenue.

REPORTING ENTITY

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Public Libraries of Saginaw, Michigan and its component units. The component units discussed below are included in the Library's reporting entity because of the significance of their operational or financial relationships with the Library.

COMPONENT UNITS

The component units' columns in the financial statements include the financial data of the Library's two component units, Hoyt Trust and Saginaw Public Libraries Foundation. These units, which have the same board members as the Public Libraries of Saginaw, Michigan are reported in separate columns to emphasize that they are legally separate from the Library.

HOYT TRUST

The Hoyt Trust was established under the will of Jesse Hoyt in June of 1882. The endowment to the Hoyt Trust included money to construct the Hoyt Library. The funds of the Hoyt Trust are controlled by the Hoyt Trust Board and are reserved for the purpose of maintaining the Hoyt Library as a reference library per the terms of the will of Jesse Hoyt. By the 1920's the Hoyt Trust was no longer financially capable of supporting Hoyt Library services. The Hoyt Trust's inability to support the Hoyt Library lead to the merger of Hoyt Library and the Public Libraries of Saginaw with the Public Libraries of Saginaw renting the Hoyt Library from the Hoyt Trust. Since that time the Trust has continued to provide modest financial support to the Hoyt Library.

The Library's financial statements include condensed financial statements of the Hoyt Trust.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

SAGINAW PUBLIC LIBRARIES FOUNDATION

The Saginaw Public Libraries Foundation was created to provide a means of giving into posterity to the Public Libraries of Saginaw. This foundation raises money to be used to purchase books and other library materials as a supplement to the regular library materials budget. Only a portion of the earnings from the Foundation investments are used annually, allowing the principal to remain to generate earnings for future library materials support and services.

The Library's financial statements include complete financial statements of the Saginaw Public Libraries Foundation. The Foundation assets are held in trust at Merrill Lynch. Complete audited financial statements of the Saginaw Public Library Foundation can be obtained from the administrative offices of the Public Libraries of Saginaw, Michigan at 505 Janes Street, Saginaw, Michigan 48607.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it

is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

The Library reports only one fund as follows:

- The General Fund is used to record the operations of the Library which pertain to maintaining and operating of the Public Libraries of Saginaw, Michigan. Included are all transactions related to the approved current operating budget.

ASSETS, LIABILITIES AND EQUITY

Cash and investments – The Library has defined cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with a maturity of 3 months or less when acquired. Investments are stated at fair value based on a quoted market price. Certificates of deposit are stated at cost which approximates fair value.

Receivables and payables – All trade and property tax receivables are shown as net of allowance for uncollectible amounts.

Property taxes are assessed as of December 31 and the related taxes become a lien on March 1 of the following year. The Libraries' taxes are due in July with the final collection date on February 28 before they are added to the County tax rolls. The delinquent real property taxes of the City are purchased by Saginaw County. These taxes have been recorded as revenue in the current year.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

Prepaid items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital assets – Purchased or constructed capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Library as assets with an initial individual cost of more than \$5,000. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset lives are not capitalized. The Library does not have infrastructure assets. Buildings, furniture and equipment, and leasehold improvements are depreciated using the straight-line method over the following useful lives:

Building and building improvements	20 to 50 years
Furniture and equipment	5 to 10 years
Leasehold improvements	20 to 50 years

Compensated absences – Sick days are earned by employees at the rate of one per month. Unlimited unused sick days may be accumulated by an employee. Retiring employees who meet certain age and years of service requirements are paid for accumulated sick days to a maximum of 90 days at half of their normal rate.

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments, and other employees who are expected to become eligible in the future to receive such payments upon termination, are included. The amount reported

includes fringe benefits.

Fund equity - In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

NOTE 2 - BUDGETARY POLICIES AND DATA

The State of Michigan adopted a Uniform Budgeting and Accounting Act (Act) applicable to all local governmental entities in the State. The law requires appropriation acts to be adopted for the General Fund.

The Board adopts appropriations utilizing the modified-accrual basis of accounting for all governmental funds. The appropriation level adopted by the Board is the level of control authorized under the Act. The Act requires expenditures to be budgeted on a functional basis. A library is not considered to be in violation of the Act if reasonable procedures are in use by the library to detect violations.

The Public Libraries of Saginaw uses these procedures in

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

establishing the budgetary data reflected in the financial statements:

1. The Library Director submits to the Board a proposed budget by July 1 of each year. The budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. The Library Director is authorized to transfer budgeted amounts between functions; however, any revisions that alter the total expenditures of any fund must be approved by the Board.
4. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budgeted amounts are as originally adopted, or as amended by the Board throughout the year. The budget was amended at its June meeting.
6. Encumbrance accounting is employed in the General Fund. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the Library and its component units deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Component Units
Cash and cash equivalents	\$ 9,258,178	\$ 400,533
Investments	<u>-</u>	<u>924,096</u>
Total	<u>\$ 9,258,178</u>	<u>\$ 1,324,629</u>

Credit risk - State statutes authorize the Library to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have an office in Michigan; the Library is allowed to invest in U.S. Treasury or Agency obligations, U.S. government repurchase agreements, bankers' acceptances, commercial paper rated prime at the time of purchase that matures not more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The Library has no investment policy that would further limit its investment choices. As of June 30, 2005, the Library had no investments.

Concentration of credit risk - The Library has no policy that would limit the amount that may be invested with any one issuer.

Custodial credit risk – deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library does not have a deposit policy for custodial credit risk. The carrying amount of the Library's and the component units' deposits with financial institutions, (excluding petty cash of \$538) was \$ 9,257,640 and \$ 1,324,629, respectively and the bank balance was \$ 9,400,443 and \$ 682,616, respectively.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

NOTE 4 - CAPITAL ASSETS

Capital assets activity of the primary government and component unit for the current year was as follows:

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005
<u>Primary Government</u>				
Governmental activities				
Capital assets not being depreciated				
Land	\$ 35,000	\$ -	\$ -	\$ 35,000
Capital assets being depreciated				
Building and building improvements	1,650,799	-	-	1,650,799
Furniture and equipment	533,662	-	-	533,662
Leasehold improvements	3,604,313	-	-	3,604,313
Total capital assets being depreciated	5,788,774	-	-	5,788,774
Less: Accumulated depreciation	1,323,461	161,889	-	1,485,350
Net capital assets being depreciated	4,465,313	(161,889)	-	4,303,424
Governmental activities capital assets, net	\$ 4,500,313	\$ (161,889)	\$ -	\$ 4,338,424
<u>Component Units</u>				
Capital assets not being depreciated				
Land and buildings	\$ 4,647,061	\$ -	\$ -	\$ 4,647,061

Depreciation for the fiscal year ended June 30, 2005, amounted to \$161,889 for the primary government. The Component Units choose not to depreciate capital assets.

Depreciation expense was charged to activities of the Library as follows:

Governmental activities	
Main library	\$ 123,036
Zauel	8,094
Butman Fish	24,283
Claytor	3,238
Ruth Brady Wickes	3,238
	<u>3,238</u>
Total governmental activities	<u>\$ 161,889</u>

NOTE 5 - DEFERRED REVENUE

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes	\$ 47,000	\$ -
Accrued interest receivable	97,780	-
Grants and categorical payments received prior to meeting all eligibility requirements	-	14,460
	<u>\$ 144,780</u>	<u>\$ 14,460</u>

NOTE 6 - PENSION PLAN/MPERS

PLAN DESCRIPTION

The Library has a defined benefit pension plan covering substantially all employees hired prior to August 10, 1994. The plan is operated by the State of Michigan's Public School Employees

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

Retirement System (MPSERS), which is a cost-sharing public employee retirement system (PERS). Full time employees hired after August 9, 1994 are covered under the Municipal Employees' Retirement Plan effective July 1, 1995.

MPSERS operates under the provisions of Public Act 300 of 1980, as amended. MPSERS operates within the Michigan Department of Management and Budget, Office of Retirement Systems who has the authority to establish and amend benefit provisions. The Michigan Department of Management and Budget issues a publicly available financial report that includes financial statements and required supplementary information for MPSERS. That report may be obtained by writing to:

Office of Retirement Systems
P.O. Box 30171
Lansing, Michigan 48909-7671
(800) 381-5111

The pension plan provides retirement, survivor and disability benefits. A member may retire after reaching the age of 55 with 30 or more years of credited services or at age 60 with 10 or more years of credited service.

A Member Investment Plan (MIP) member may retire at any age with 30 years of credited service; at age 60 with 10 or more years of credited service; or, at age 60 with 5 years of credited service provided the member has worked through his or her 60th birthday and has credited service in each of the five fiscal years immediately preceding the pension effective date.

Benefits vest after 10 years of service. Vested employees may retire at or after age 55 and receive reduced retirement benefits. Pension provisions include death and disability benefits.

Employees who retire after reaching the above mentioned requirements are entitled to 1 ½ percent of their final average compensation multiplied by the number of years of credited service.

The Library is required by State statute to contribute to MPSERS an actuarially determined percentage of payroll for all participating employees. Additionally, employees participating in the Member Investment Plan contributed 3% to 4.3% of their covered wages through payroll deduction. In addition to retirement benefits, a portion of the total MPSERS contribution is allocated to cover health, dental and vision benefits. The following table discloses pertinent information relative to MPSERS funding for the three-year period beginning July 1, 2002 through June 30, 2005.

	Year Ended June 30,		
	2005	2004	2003
Funding percentage range	12.99 - 14.87%	12.99%	12.17-12.99%
Total library, payroll	\$ 2,334,632	\$ 2,291,237	\$ 2,204,751
Total covered payroll	1,239,114	1,480,301	1,315,600
Library contributions	178,304	165,920	168,049
Employee MIP contributions	27,549	31,097	30,001
Portion of Library contributions covering health, dental and vision benefits	44%	47%	47%

TREND INFORMATION

Ten-year historical trend information is presented in the September 30, 2004 PERS Comprehensive Annual Financial Report. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. The total benefit obligations and net assets available for benefits as of September 30, 2003, the latest date for which information is available, approximates \$44.8 billion and \$38.7 billion, respectively.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

The Library's share of the total current actuarially determined employer contribution requirement under MPSERS was less than 1% for the year ended September 30, 2004.

NOTE 7 - LONG-TERM DEBT

Other long-term obligations include compensated absences, claims and judgments, termination benefits, and certain risk liabilities.

Long-term obligation activity can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Compensated absences	\$ 70,514	\$ 6,036	\$ -	\$ 76,550

NOTE 8 - DEFINED BENEFIT PENSION PLAN

PLAN DESCRIPTION

The Local Governmental Unit participates in the Michigan Municipal Employees' Retirement System (MERS), an agent multiple-employer defined benefit pension plan that covers all full time employees hired after August 9, 1994 of the Public Libraries of Saginaw. The system provides retirement, disability and death benefits to plan members and their beneficiaries. MERS issues a publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917.

FUNDING POLICY

The obligation to contribute to and maintain the system for these employees was established by negotiations with the Libraries' collective bargaining unit and by Board resolution for non union

employees. These agreements require a contribution of 8.4% of gross wages.

ANNUAL PENSION COSTS

For year ended June 30, 2005, the Public Libraries of Saginaw's annual pension cost of \$ 44,030 for the plan was equal to the required and actual contribution. The annual required contribution was determined as part of an actuarial valuation at December 31, 2004, using the entry actual age cost method. Significant actuarial assumption used include: (i) an 8% investment rate of return; (ii) projected salary increases of 4.5% per year to include inflation; (iii) and an additional percentage from 0.0% to 4.16% for merit and longevity. Both determined using techniques that smooth the effects of short-term volatility over a four year period.

Three year trend information as of December 31, 2004 follows:

	2004	2003	2002
Annual pension cost	\$ 17,244	\$ 15,432	\$ 14,186
Percentage of APC contributed	100%	100%	100%
Net pension obligation	351,984	285,179	209,549
Actuarial value of assets	484,634	392,448	293,703
Actuarial accrued liability (AAL)	351,984	285,179	209,549
Unfunded (overfunded) AAL	(132,650)	(107,269)	(84,154)
Funded ratio	138%	138%	140%
Covered payroll	613,838	543,592	448,432
UAAL as a percentage of covered payroll	-22%	-20%	-19%

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

NOTE 9 - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

In addition to the pension benefits described in Note 6, the Library provides post-retirement health care, dental, and vision benefits for retirees and beneficiaries through Michigan Public School Employees Retirement System (MPERS). All health care benefits are on a self-insured basis. A significant portion of the premium is paid by MPERS with the balance deducted from the monthly pension.

The only requirements for insurance benefits are that the retiree or beneficiary make application and be in receipt of a monthly pension.

Expenditures for these benefits are recognized on a cash disbursement basis. During the year ended September 30, 2004, statewide expenditures of \$ 666 million were recognized for post-retirement health care, dental and vision. This represented 22% of the total expenditures of the Michigan Public School Employees Retirement System.

NOTE 10 - OPERATING LEASE

The Library extended a prior lease agreement with First Ward Community Service, Inc., to lease the ground floor of the First Ward Community Service office building, at 1410 North Twelfth Street, Saginaw, Michigan. The expense for the year ended June 30, 2005 was \$ 31,918. The Library has a month to month lease with First Ward for \$ 2,660 per month.

NOTE 11 - RISK MANAGEMENT

The Library participated in a self-insurance program through the Middle Cities Association. This program provides substantially all the insurance needs of the Library including property, general liability, automobile, umbrella and library commission legal liability.

Payments made for the year ended June 30, 2005 were \$ 20,918. The contributions made by the Library fund the program at two times the expected claims. The possibility of additional claims does exist, but any liability to the Library would be immaterial due to the aggregate stop-loss coverage. There is also a possibility of a refund due the Library. Therefore, no contingent liabilities or assets have been recognized on the Library's financial statements for the year ended June 30, 2005. There have been no claims for commercial insurance for the last three years. The Library uses a commercial carrier for its workers' compensation insurance.

NOTE 12 - FUND BALANCE

Reservations of fund balances are created to either (1) satisfy legal covenants that require a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures. Specific reservations of the fund balance accounts are summarized below.

Reserved for encumbrances - This reserve was created to restrict the use of resources which have already been encumbered.

Reserved for Hoyt Library - This reserve was created to restrict the use of resources donated for the Hoyt Library.

Reserved for Saginaw Public Libraries Foundation - This reserve was created to restrict the use of resources donated for the Saginaw Public Libraries Foundation.

Designated for Zauel operations - This designation was created to indicate funds set aside for the operations of Zauel Library.

Designated for technology upgrade - This designation was created to indicate funds set aside for technology.

Public Libraries of Saginaw, Michigan
Notes to Financial Statements
June 30, 2005

Designated for repair, replacement and improvement - This designation was created to indicate funds set aside for the repair, replacement and improvement of buildings and equipment.

Designated for materials - This designation was created to indicate funds set aside for library materials.

Designated for procurements and operations - This designation was created to indicate funds set aside for procurements and operations.

NOTE 13 - ENDOWMENT

The Saginaw Community Foundation holds endowment funds for the Saginaw Public Libraries in relation to the Kresge Challenge. This is an endowment challenge grant for nonprofit organizations from the Kresge Foundation. The Saginaw Community Foundation holds and manages the funds indefinitely for the Library.

Public Libraries of Saginaw, Michigan
Required Supplemental Information
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2005

	Budgeted Amounts		Actual Over (Under) Final Budget
	Original	Final	Actual
Revenues			
Current local taxes	\$ 3,405,000	\$ 3,405,000	\$ 3,388,457
Interest on delinquent taxes	800	800	13,066
Payments in lieu of taxes	110,000	110,000	134,629
Delinquent taxes	10,000	10,000	1,473
Single business tax	273,198	273,198	273,198
Contract income	755,589	767,589	769,969
State aid	105,686	105,686	117,583
Grants	-	10,000	20,359
Contributions and gifts	15,000	32,700	49,858
Book fines and fees	52,500	52,500	54,731
Penal fines	492,300	492,300	532,295
Telefacsimile fees	3,200	3,200	3,484
Copy machines	12,000	12,000	11,377
Investment interest	100,000	100,000	121,992
Microcomputer support and maintenance	5,000	5,000	4,512
Universal service fund	8,000	8,000	24,570
Concessions	19,500	19,500	19,528
Processing data entry	40,000	40,000	39,813
Miscellaneous	2,500	2,500	7,517
Total revenues	5,410,273	5,449,973	5,588,411
Expenditures			
Main library	3,340,966	3,388,876	3,080,021
Zauel	926,449	932,585	887,036
Butman Fish	828,114	834,316	750,412
Claytor	144,420	148,796	133,952
Ruth Brady Wickes	161,836	166,212	141,487
Total expenditures	5,401,785	5,470,785	4,992,908
Excess (deficiency) of revenues over expenditures	8,488	(20,812)	595,503
Other financing sources			
Operating transfer in - SPL Foundation	-	14,607	14,607
Operating transfer in - Hoyt Trust (Pribil Trust)	8,000	8,000	7,393
Total other financing sources	8,000	22,607	22,000
Excess (deficiency) of revenues and other financing sources over expenditures	16,488	1,795	617,503
Fund balance - beginning of year	9,158,083	9,158,083	9,158,083
Fund balance - end of year	\$ 9,174,571	\$ 9,159,878	\$ 9,775,586

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended June 30, 2005 and 2004

	Primary Government	Component Units (See Note 1)		Totals Reporting Entity	
	Public Libraries of Saginaw General Fund	Hoyt Trust	Saginaw Public Libraries Foundation	2005	2004
Revenues					
Current local taxes	\$ 3,388,457	\$ -	\$ -	\$ 3,388,457	\$ 3,354,875
Interest on delinquent taxes	13,066	-	-	13,066	1,464
Payments in lieu of taxes	134,629	-	-	134,629	114,446
Delinquent taxes	1,473	-	-	1,473	101,654
Single business tax	273,198	-	-	273,198	273,198
Contract income	769,969	167,714	-	937,683	919,701
State aid	117,583	-	-	117,583	117,785
Grants	20,359	-	-	20,359	20,183
Contributions and gifts	49,858	1,050	23,569	74,477	73,152
Book fines and fees	54,731	-	-	54,731	56,376
Penal fines	532,295	-	-	532,295	515,141
Telefacsimile fees	3,484	-	-	3,484	3,524
Copy machines	11,377	-	-	11,377	11,506
Investment income	121,992	15,180	7,128	144,300	135,448
Unrealized gains on investments	-	29,540	9,064	38,604	-
Realized gains on investments	-	503	1,124	1,627	77,730
Change in value of assets held by others	-	39,673	-	39,673	-
Microcomputer support and maintenance	4,512	-	-	4,512	3,582
Universal service fund	24,570	-	-	24,570	-
Concessions	19,528	-	-	19,528	18,934
Processing data entry	39,813	-	-	39,813	36,251
Miscellaneous	7,517	3,404	5,000	15,921	427
Total revenues	5,588,411	257,064	45,885	5,891,360	5,835,377
Expenditures					
Main library	3,080,021	-	-	3,080,021	3,012,550
ZaueI	887,036	-	-	887,036	840,352
Butman Fish	750,412	-	-	750,412	728,176
Claytor	133,952	-	-	133,952	121,558
Ruth Brady Wickes	141,487	-	-	141,487	126,735
Hoyt Trust	-	166,446	-	166,446	109,746
Unrealized loss on investments	-	-	-	-	4,685
Saginaw Public Libraries Foundation	-	-	17,438	17,438	15,593
Total expenditures	4,992,908	166,446	17,438	5,176,792	4,959,395
Excess of revenues over expenditures	595,503	90,618	28,447	714,568	875,982
Other financing sources (uses)					
Operating transfers in	22,000	9,323	-	31,323	15,950
Operating transfers out	-	(7,393)	(14,607)	(22,000)	(15,950)
Total other financing sources (uses)	22,000	1,930	(14,607)	9,323	-
Excess of revenues and other financing sources over expenditures and other financing uses	617,503	92,548	13,840	723,891	875,982
Fund balance - beginning of year	9,158,083	6,237,830	292,071	15,687,984	14,812,002
Fund balance - end of year	<u>\$ 9,775,586</u>	<u>\$ 6,330,378</u>	<u>\$ 305,911</u>	<u>\$ 16,411,875</u>	<u>\$ 15,687,984</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

	Year Ended June 30, 2005			Year Ended
	Budget	Actual	Over (Under) Budget	June 30, 2004 Actual
Revenues				
Current local taxes	\$ 3,405,000	\$ 3,388,457	\$ (16,543)	\$ 3,354,875
Interest on delinquent taxes	800	13,066	12,266	1,464
Payments in lieu of taxes	110,000	134,629	24,629	114,446
Delinquent taxes	10,000	1,473	(8,527)	101,654
Single business tax	273,198	273,198	-	273,198
Contract income	767,589	769,969	2,380	730,926
State aid	105,686	117,583	11,897	117,785
Grants	10,000	20,359	10,359	20,183
Contributions and gifts	32,700	49,858	17,158	63,213
Book fines and fees	52,500	54,731	2,231	56,376
Penal fines	492,300	532,295	39,995	515,141
Telefacsimile fees	3,200	3,484	284	3,524
Copy machines	12,000	11,377	(623)	11,506
Investment interest	100,000	121,992	21,992	109,789
Microcomputer support and maintenance	5,000	4,512	(488)	3,582
Universal service fund	8,000	24,570	16,570	-
Concessions	19,500	19,528	28	18,934
Processing data entry	40,000	39,813	(187)	36,251
Miscellaneous	2,500	7,517	5,017	51
Total revenues	5,449,973	5,588,411	138,438	5,532,898
Expenditures				
Main library	3,388,876	3,080,021	(308,855)	3,012,550
Zauel	932,585	887,036	(45,549)	840,352
Butman Fish	834,316	750,412	(83,904)	728,176
Claytor	148,796	133,952	(14,844)	121,558
Ruth Brady Wickes	166,212	141,487	(24,725)	126,735
Total expenditures	5,470,785	4,992,908	(477,877)	4,829,371
Excess (deficiency) of revenues over expenditures	(20,812)	595,503	616,315	703,527
Other financing sources				
Operating transfer in - SPL Foundation	14,607	14,607	-	3,400
Operating transfer in - Hoyt Trust (Pribil Trust)	8,000	7,393	(607)	12,550
Total other financing sources	22,607	22,000	(607)	15,950
Excess of revenues and other financing sources over expenditures	1,795	617,503	615,708	719,477
Fund balance - beginning of year	9,158,083	9,158,083	-	8,438,606
Fund balance - end of year	\$ 9,159,878	\$ 9,775,586	\$ 615,708	\$ 9,158,083

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures

	Year Ended June 30, 2005								Year Ended June 30, 2004
	Main	Zauel	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget	Over (Under) Budget	Actual
Salaries - professional and semi-professional	\$ 1,147,101	\$ 220,006	\$ 239,355	\$ 40,392	\$ 40,035	\$ 1,686,889	\$ 1,733,600	\$ (46,711)	\$ 1,655,628
Salaries - secretaries	231,833	101,802	108,602	9,139	11,053	462,429	481,100	(18,671)	460,275
Salaries - page	51,499	32,710	39,406	5,067	8,210	136,892	144,850	(7,958)	134,270
Salaries - substitute	24,593	12,530	6,894	1,956	2,449	48,422	56,650	(8,228)	41,064
Retirement	155,365	30,456	40,468	2,113	13	228,415	241,200	(12,785)	204,563
OASDI	88,437	23,197	24,104	3,456	3,767	142,961	152,775	(9,814)	136,613
Medicare	20,685	5,181	5,638	808	881	33,193	35,725	(2,532)	32,744
Dental insurance	25,250	6,479	6,788	-	-	38,517	41,800	(3,283)	35,997
Health insurance	188,091	61,787	48,859	-	-	298,737	304,700	(5,963)	261,834
Life insurance	2,330	427	436	22	22	3,237	4,425	(1,188)	4,171
Vision care insurance	6,240	1,601	1,678	-	-	9,519	10,300	(781)	8,986
Employee assistance program	1,518	343	343	-	-	2,204	2,225	(21)	2,204
Flexible benefit account	1,381	212	-	-	-	1,593	1,850	(257)	1,507
Unemployment	2,534	-	-	-	-	2,534	10,000	(7,466)	9,412
Workers' compensation	9,774	1,820	-	-	-	11,594	14,000	(2,406)	14,664
Books - adult	67,750	63,525	60,847	7,072	8,188	207,382	222,030	(14,648)	197,140
Books - juvenile	16,399	25,692	19,698	4,325	4,297	70,411	79,773	(9,362)	75,141
Books - genealogy	19,656	-	-	-	-	19,656	21,432	(1,776)	19,918
Books - reference	34,261	-	-	-	-	34,261	40,000	(5,739)	39,029
SPL foundation expenditures	4,047	2,970	3,066	1,438	1,498	13,019	14,608	(1,589)	2,606
Periodicals - adult	15,284	7,917	5,132	1,456	2,348	32,137	35,849	(3,712)	29,972
Periodicals - juvenile	903	728	517	344	254	2,746	2,928	(182)	2,497
Periodicals - genealogy	842	-	-	-	-	842	875	(33)	406
Microforms	14,384	-	-	-	-	14,384	16,900	(2,516)	14,036
On-line databases	27,355	10,270	-	-	-	37,625	48,275	(10,650)	31,627
Audio visual - adult	11,520	7,867	8,463	3,297	3,494	34,641	39,942	(5,301)	33,893
Audio visual - juvenile	1,900	1,897	3,109	1,230	834	8,970	9,912	(942)	8,250
Pamphlets	1,375	-	-	-	-	1,375	2,425	(1,050)	2,129
Processing	-	39,813	-	-	-	39,813	39,900	(87)	36,311
Binding - adult	2,533	-	-	-	-	2,533	3,000	(467)	2,490
Total carried forward	2,174,840	659,230	623,403	82,115	87,343	3,626,931	3,813,049	(186,118)	3,499,377

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures

	Year Ended June 30, 2005							Over (Under) Budget	Year Ended June 30, 2004 Actual
	Main	Zauel	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Total brought forward	\$ 2,174,840	\$ 659,230	\$ 623,403	\$ 82,115	\$ 87,343	\$ 3,626,931	\$ 3,813,049	\$ (186,118)	\$ 3,499,377
Heat and utilities	-	-	37,221	-	6,833	44,054	49,240	(5,186)	41,249
Telecommunications	40,783	6,222	-	-	-	47,005	64,000	(16,995)	46,930
Furniture and equipment - new and replacement	11,483	398	412	2,963	5,751	21,007	35,775	(14,768)	22,286
Furniture and equipment - repairs and maintenance	739	23	-	380	-	1,142	10,925	(9,783)	1,979
Building - maintenance, repairs and remodeling	-	-	13,476	2,346	9,710	25,532	44,650	(19,118)	20,309
Janitorial service	45,849	-	18,013	-	6,058	69,920	70,850	(930)	69,297
Trash removal	1,685	-	1,011	-	-	2,696	3,000	(304)	2,632
Snow removal	10,493	-	6,966	-	3,339	20,798	21,600	(802)	15,785
Grounds maintenance	-	-	3,809	-	2,429	6,238	19,415	(13,177)	15,398
Security guard service	25,830	-	15,148	-	7,720	48,698	51,435	(2,737)	47,996
Security system - building	-	-	2,002	940	839	3,781	4,908	(1,127)	3,830
Copy machine	15,105	1,442	836	824	-	18,207	20,600	(2,393)	18,364
Postage equipment	1,684	-	-	-	-	1,684	2,300	(616)	1,661
Rent	-	-	-	31,918	-	31,918	32,900	(982)	31,918
Insurance	24,518	4,337	-	-	-	28,855	29,600	(745)	28,497
Stationery and supplies	14,989	3,781	2,222	1,103	803	22,898	36,475	(13,577)	23,411
Circulation system supplies	2,565	1,968	1,827	302	365	7,027	14,280	(7,253)	3,820
Micro computer supplies	9,990	2,448	2,647	655	822	16,562	30,000	(13,438)	20,700
Micro computer support	4,721	4,512	-	-	-	9,233	17,000	(7,767)	8,502
Web service	8,759	-	-	-	-	8,759	10,500	(1,741)	7,837
Software	18,424	605	-	-	-	19,029	22,750	(3,721)	11,202
Computer equipment and technology upgrade	22,677	17,824	15,645	8,496	7,892	72,534	95,700	(23,166)	76,405
Printing	35,850	3,500	-	-	-	39,350	43,500	(4,150)	32,273
Legal notices	1,338	392	-	-	-	1,730	3,400	(1,670)	2,120
Public relations	48,544	900	-	-	-	49,444	56,650	(7,206)	46,766
Postage	19,641	9,508	-	-	-	29,149	50,500	(21,351)	43,352
Professional library expenses	-	4,402	-	-	-	4,402	5,000	(598)	2,069
Employee mileage	6,431	484	217	246	81	7,459	10,000	(2,541)	9,491
Summer reading program	21,990	527	-	-	-	22,517	33,700	(11,183)	20,224
Programs	1,693	1,145	1,801	683	483	5,805	9,800	(3,995)	5,377
Total carried forward	2,570,621	723,648	746,656	132,971	140,468	4,314,364	4,713,502	(399,138)	4,181,057

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures

	Year Ended June 30, 2005							Over (Under) Budget	Year Ended June 30, 2004 Actual
	Main	Zauel	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget		
Total brought forward	\$ 2,570,621	\$ 723,648	\$ 746,656	\$ 132,971	\$ 140,468	\$ 4,314,364	\$ 4,713,502	\$ (399,138)	\$ 4,181,057
Staff training	33,659	-	-	-	-	33,659	40,900	(7,241)	48,918
Juvenile staff training materials	113	-	-	-	-	113	800	(687)	500
Children's coordinator program	1,917	-	-	-	-	1,917	2,500	(583)	1,653
System wide programming	12,213	-	-	-	-	12,213	23,350	(11,137)	10,109
Educational materials	1,939	-	-	-	-	1,939	2,500	(561)	2,597
Miscellaneous	1,143	337	124	99	49	1,752	3,250	(1,498)	1,768
Roofing Project	-	-	-	-	-	-	-	-	2,980
Pribil Trust	1,952	-	-	-	-	1,952	7,500	(5,548)	12,092
Fiduciary fees	-	-	-	-	-	-	1,500	(1,500)	867
Contractual expense - Hoyt	169,868	-	-	-	-	169,868	209,900	(40,032)	166,802
Contractual expense - WPLC	47,762	19,852	-	-	-	67,614	67,900	(286)	41,092
Contractual expense - PLOS	-	117,189	-	-	-	117,189	117,189	-	114,026
Delivery service	8,687	-	-	-	-	8,687	10,000	(1,313)	16,261
Auditing and accounting	15,701	2,824	-	-	-	18,525	26,550	(8,025)	14,214
Family place project	-	577	-	-	-	577	595	(18)	384
Professional and legal expense	27,776	-	-	-	-	27,776	29,000	(1,224)	6,523
Library Services and Technology Act grant	-	-	-	-	-	-	-	-	4,422
Partnership grant	21,574	-	-	-	-	21,574	19,100	2,474	-
Network project	-	-	-	-	-	-	-	-	25,138
Data processing - database	5,460	675	-	-	-	6,135	14,750	(8,615)	7,163
Data processing - maintenance CPU	71,656	17,105	-	-	-	88,761	101,000	(12,239)	97,732
Data processing - supplies - cataloging	3,824	3,023	3,062	794	860	11,563	20,969	(9,406)	16,028
Data processing - supplies - circulation	812	614	570	88	110	2,194	8,838	(6,644)	4,030
Delinquent tax adjustment	17,934	-	-	-	-	17,934	19,500	(1,566)	741
Tax collection expense	2,602	-	-	-	-	2,602	3,000	(398)	2,555
Prior year encumbrance	62,808	1,192	-	-	-	64,000	26,692	37,308	49,719
Total expenditures	<u>\$ 3,080,021</u>	<u>\$ 887,036</u>	<u>\$ 750,412</u>	<u>\$ 133,952</u>	<u>\$ 141,487</u>	<u>\$ 4,992,908</u>	<u>\$ 5,470,785</u>	<u>\$ (477,877)</u>	<u>\$ 4,829,371</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
General Fund (Excluding Zauel)

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

	Year Ended June 30, 2005			Year Ended
	Budget	Actual	Over (Under) Budget	June 30, 2004 Actual
Revenues				
Current local taxes	\$ 3,405,000	\$ 3,388,457	\$ (16,543)	\$ 3,354,875
Payments in lieu of taxes	110,000	134,629	24,629	114,446
Delinquent taxes	10,000	1,473	(8,527)	101,654
Interest on delinquent taxes	800	13,066	12,266	1,464
Single business tax	273,198	273,198	-	273,198
Contract income	129,189	137,952	8,763	114,026
State aid	73,961	83,095	9,134	83,238
Grants	10,000	20,359	10,359	20,183
Contributions and gifts	32,700	49,858	17,158	63,213
Book fines and fees	28,000	28,929	929	29,473
Penal fines	358,300	373,226	14,926	364,047
Telefacsimile fees	2,800	2,776	(24)	3,022
Copy machines	8,000	7,514	(486)	7,042
Investment interest	100,000	121,992	21,992	109,789
Microcomputer support and maintenance	5,000	4,512	(488)	3,582
Processing data entry	40,000	39,813	(187)	36,251
Universal service fund	8,000	20,587	12,587	-
Concessions	14,000	13,767	(233)	13,433
Total revenues	4,608,948	4,715,203	106,255	4,692,936
Expenditures				
Main library	3,388,876	3,080,021	(308,855)	3,012,550
Butman Fish	834,316	750,412	(83,904)	728,176
Claytor	148,796	133,952	(14,844)	121,558
Ruth Brady Wickes	166,212	141,487	(24,725)	126,735
Total expenditures	4,538,200	4,105,872	(432,328)	3,989,019
Excess of revenues over expenditures	70,748	609,331	538,583	703,917
Other financing sources				
Operating transfer in - SPL Foundation	10,955	10,955	-	2,550
Operating transfer in - Hoyt Trust (Maxwell Pribil)	8,000	7,393	(607)	12,550
Total other financing sources	18,955	18,348	(607)	15,100
Excess of revenues and other financing sources over expenditures	89,703	627,679	537,976	719,017
Fund balance - beginning of year	8,627,108	8,627,108	-	7,908,091
Fund balance - end of year	<u>\$ 8,716,811</u>	<u>\$ 9,254,787</u>	<u>\$ 537,976</u>	<u>\$ 8,627,108</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures (Excluding Zauel)

	Year Ended June 30, 2005							Year Ended June 30, 2004 Actual
	Main	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget	Over (Under) Budget	
Salaries - professional and semi-professional	\$ 1,147,101	\$ 239,355	\$ 40,392	\$ 40,035	\$ 1,466,883	\$ 1,510,100	\$ (43,217)	\$ 1,440,169
Salaries - secretaries	231,833	108,602	9,139	11,053	360,627	375,400	(14,773)	361,860
Salaries - page	51,499	39,406	5,067	8,210	104,182	110,550	(6,368)	101,825
Salaries - substitute	24,593	6,894	1,956	2,449	35,892	43,650	(7,758)	30,966
Retirement	155,365	40,468	2,113	13	197,959	209,200	(11,241)	177,295
OASDI	88,437	24,104	3,456	3,767	119,764	128,775	(9,011)	114,882
Medicare	20,685	5,638	808	881	28,012	30,125	(2,113)	27,558
Dental insurance	25,250	6,788	-	-	32,038	35,000	(2,962)	29,606
Health insurance	188,091	48,859	-	-	236,950	242,500	(5,550)	209,481
Life insurance	2,330	436	22	22	2,810	3,795	(985)	3,565
Vision care insurance	6,240	1,678	-	-	7,918	8,650	(732)	7,391
Employee assistance program	1,518	343	-	-	1,861	1,875	(14)	1,861
Flexible benefit account	1,381	-	-	-	1,381	1,600	(219)	1,296
Unemployment	2,534	-	-	-	2,534	9,000	(6,466)	9,412
Workers` compensation	9,774	-	-	-	9,774	12,000	(2,226)	12,318
Books - adult	67,750	60,847	7,072	8,188	143,857	158,030	(14,173)	138,883
Books - juvenile	16,399	19,698	4,325	4,297	44,719	51,773	(7,054)	48,627
Books - genealogy	19,656	-	-	-	19,656	21,432	(1,776)	19,918
Books - reference	34,261	-	-	-	34,261	40,000	(5,739)	39,029
SPL foundation expenditures	4,047	3,066	1,438	1,498	10,049	10,956	(907)	2,152
Periodicals - adult	15,284	5,132	1,456	2,348	24,220	25,849	(1,629)	23,020
Periodicals - juvenile	903	517	344	254	2,018	2,178	(160)	1,970
Periodicals - genealogy	842	-	-	-	842	875	(33)	406
Microforms	14,384	-	-	-	14,384	16,900	(2,516)	14,036
On-line databases	27,355	-	-	-	27,355	38,000	(10,645)	22,973
Audio visual - adult	11,520	8,463	3,297	3,494	26,774	30,642	(3,868)	25,483
Audio visual - juvenile	1,900	3,109	1,230	834	7,073	7,612	(539)	6,318
Pamphlets	1,375	-	-	-	1,375	2,425	(1,050)	2,129
Binding - adult	2,533	-	-	-	2,533	3,000	(467)	2,490
Heat and utilities	-	37,221	-	6,833	44,054	49,240	(5,186)	41,249
Total carried forward	2,174,840	660,624	82,115	94,176	3,011,755	3,181,132	(169,377)	2,918,168

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures (Excluding Zauel)

	Year Ended June 30, 2005							Year Ended June 30, 2004 Actual
	Main	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget	Over (Under) Budget	
Total brought forward	\$ 2,174,840	\$ 660,624	\$ 82,115	\$ 94,176	\$ 3,011,755	\$ 3,181,132	\$ (169,377)	\$ 2,918,168
Telecommunications	40,783	-	-	-	40,783	57,000	(16,217)	40,785
Furniture and equipment - new and replacement	11,483	412	2,963	5,751	20,609	33,600	(12,991)	19,836
Furniture and equipment - repairs and maintenance	739	-	380	-	1,119	9,425	(8,306)	962
Building - maintenance, repairs and remodeling	-	13,476	2,346	9,710	25,532	44,650	(19,118)	20,309
Janitorial service	45,849	18,013	-	6,058	69,920	70,850	(930)	69,297
Trash removal	1,685	1,011	-	-	2,696	3,000	(304)	2,632
Snow removal	10,493	6,966	-	3,339	20,798	21,600	(802)	15,785
Grounds maintenance	-	3,809	-	2,429	6,238	19,415	(13,177)	15,398
Security guard service	25,830	15,148	-	7,720	48,698	51,435	(2,737)	47,996
Security system - building	-	2,002	940	839	3,781	4,908	(1,127)	3,830
Copy machine	15,105	836	824	-	16,765	18,100	(1,335)	15,990
Postage equipment	1,684	-	-	-	1,684	2,300	(616)	1,661
Rent	-	-	31,918	-	31,918	32,900	(982)	31,918
Insurance	24,518	-	-	-	24,518	24,800	(282)	24,240
Stationery and supplies	14,989	2,222	1,103	803	19,117	32,000	(12,883)	20,695
Circulation system supplies	2,565	1,827	302	365	5,059	10,780	(5,721)	2,759
Micro computer supplies	9,990	2,647	655	822	14,114	26,500	(12,386)	18,017
Micro computer support	4,721	-	-	-	4,721	12,000	(7,279)	4,805
Web service	8,759	-	-	-	8,759	10,500	(1,741)	7,837
Software	18,424	-	-	-	18,424	20,000	(1,576)	9,784
Computer equipment and technology upgrade	22,677	15,645	8,496	7,892	54,710	77,700	(22,990)	63,199
Printing	35,850	-	-	-	35,850	40,000	(4,150)	29,311
Legal notices	1,338	-	-	-	1,338	3,000	(1,662)	1,921
Public relations	48,544	-	-	-	48,544	55,750	(7,206)	46,582
Postage	19,641	-	-	-	19,641	40,000	(20,359)	33,230
Employee mileage	6,431	217	246	81	6,975	8,900	(1,925)	8,566
Summer reading program	21,990	-	-	-	21,990	29,700	(7,710)	20,224
Total carried forward	2,568,928	744,855	132,288	139,985	3,586,056	3,941,945	(355,889)	3,495,737

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Expenditures (Excluding Zauel)

	Year Ended June 30, 2005							Year Ended June 30, 2004 Actual
	Main	Butman Fish	Claytor	Ruth Brady Wickes	Total Actual	Budget	Over (Under) Budget	
Total brought forward	\$ 2,568,928	\$ 744,855	\$ 132,288	\$ 139,985	\$ 3,586,056	\$ 3,941,945	\$ (355,889)	\$ 3,495,737
Programs	1,693	1,801	683	483	4,660	7,800	(3,140)	4,410
Staff training	33,659	-	-	-	33,659	40,900	(7,241)	48,918
Juvenile staff training materials	113	-	-	-	113	800	(687)	500
Children's coordinator program	1,917	-	-	-	1,917	2,500	(583)	1,653
System wide programming	12,213	-	-	-	12,213	23,350	(11,137)	10,109
Educational materials	1,939	-	-	-	1,939	2,500	(561)	2,597
Miscellaneous	1,143	124	99	49	1,415	2,850	(1,435)	1,721
Roofing Project	-	-	-	-	-	-	-	2,980
Pribil Trust	1,952	-	-	-	1,952	7,500	(5,548)	12,092
Fiduciary fees	-	-	-	-	-	1,500	(1,500)	867
Contractual expense - Hoyt	169,868	-	-	-	169,868	209,900	(40,032)	166,802
Contractual expense - WPLC	47,762	-	-	-	47,762	48,000	(238)	28,492
Delivery service	8,687	-	-	-	8,687	10,000	(1,313)	16,261
Auditing and accounting	15,701	-	-	-	15,701	23,500	(7,799)	12,001
Professional and legal expense	27,776	-	-	-	27,776	29,000	(1,224)	6,523
Library Services and Technology Act grant	-	-	-	-	-	-	-	4,422
Partnership grant	21,574	-	-	-	21,574	19,100	2,474	-
Network project	-	-	-	-	-	-	-	25,138
Data processing - database	5,460	-	-	-	5,460	14,000	(8,540)	6,190
Data processing - maintenance CPU	71,656	-	-	-	71,656	83,000	(11,344)	79,261
Data processing - supplies - cataloging	3,824	3,062	794	860	8,540	17,009	(8,469)	12,202
Data processing - supplies - circulation	812	570	88	110	1,580	6,338	(4,758)	2,141
Delinquent tax adjustment	17,934	-	-	-	17,934	19,500	(1,566)	741
Tax collection expense	2,602	-	-	-	2,602	3,000	(398)	2,555
Prior year encumbrance	62,808	-	-	-	62,808	24,208	38,600	44,706
Total expenditures	<u>\$ 3,080,021</u>	<u>\$ 750,412</u>	<u>\$ 133,952</u>	<u>\$ 141,487</u>	<u>\$ 4,105,872</u>	<u>\$ 4,538,200</u>	<u>\$ (432,328)</u>	<u>\$ 3,989,019</u>

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Zauel Branch Revenues
and Expenditures - Budget and Actual

	Year ended June 30, 2005			Year Ended June 30, 2004
	Budget	Actual	Over (Under) Budget	Actual
Revenues				
Saginaw Township	\$ 638,400	\$ 632,017	\$ (6,383)	\$ 616,900
State aid	31,725	34,488	2,763	34,547
Book fines and fees	24,500	25,802	1,302	26,903
Penal fines	134,000	159,069	25,069	151,094
Copy machines	4,000	3,863	(137)	4,464
Concessions	5,500	5,761	261	5,501
Telefacsimile fees	400	708	308	502
Universal service fund	-	3,983	3,983	-
Miscellaneous	2,500	7,517	5,017	51
Total revenue	841,025	873,208	32,183	839,962
Expenditures				
Salaries - professional and semi-professional	223,500	220,006	(3,494)	215,459
Salaries - secretaries	105,700	101,802	(3,898)	98,415
Salaries - page	34,300	32,710	(1,590)	32,445
Salaries - substitute	13,000	12,530	(470)	10,098
Retirement	32,000	30,456	(1,544)	27,268
OASDI	24,000	23,197	(803)	21,731
Medicare	5,600	5,181	(419)	5,186
Dental insurance	6,800	6,479	(321)	6,391
Health insurance	62,200	61,787	(413)	52,353
Life insurance	630	427	(203)	606
Vision care insurance	1,650	1,601	(49)	1,595
Employee assistance program	350	343	(7)	343
Flexible benefit account	250	212	(38)	211
Workers' compensation	2,000	1,820	(180)	2,346
Unemployment	1,000	-	(1,000)	-
Books - adult	64,000	63,525	(475)	58,257
Books - juvenile	28,000	25,692	(2,308)	26,514
SPL foundation expenditures	3,652	2,970	(682)	454
Periodicals - adult	10,000	7,917	(2,083)	6,952
Periodicals - juvenile	750	728	(22)	527
On-line journal databases	10,275	10,270	(5)	8,654
Audio visual - adult	9,300	7,867	(1,433)	8,410
Audio visual - juvenile	2,300	1,897	(403)	1,932
Processing	39,900	39,813	(87)	36,311
Telecommunications	7,000	6,222	(778)	6,145
Total carried forward	688,157	665,452	(22,705)	628,603

Public Libraries of Saginaw, Michigan
Other Supplemental Information
Schedule of Zauel Branch Revenues
and Expenditures - Budget and Actual

	Year ended June 30, 2005			Year Ended
	Budget	Actual	Over (Under) Budget	June 30, 2004 Actual
Total brought forward	\$ 688,157	\$ 665,452	\$ (22,705)	\$ 628,603
Furniture and equipment - new and replacement	2,175	398	(1,777)	2,450
Furniture and equipment - repairs	1,500	23	(1,477)	1,017
Copy machine	2,500	1,442	(1,058)	2,374
Insurance	4,800	4,337	(463)	4,257
Stationery and supplies	4,475	3,781	(694)	2,716
Circulation system supplies	3,500	1,968	(1,532)	1,061
Micro computer maintenance support	5,000	4,512	(488)	3,697
Micro computer supplies	3,500	2,448	(1,052)	2,683
Software	2,750	605	(2,145)	1,418
Computer equipment and technical upgrade	18,000	17,824	(176)	13,206
Printing	3,500	3,500	-	2,962
Legal notices	400	392	(8)	199
Public relations	900	900	-	184
Postage	10,500	9,508	(992)	10,122
Professional library expenses	5,000	4,402	(598)	2,069
Employee mileage	1,100	484	(616)	925
Summer Reading	4,000	527	(3,473)	-
Programs	2,000	1,145	(855)	967
Miscellaneous	400	337	(63)	47
Contractual expense - WPLC	19,900	19,852	(48)	12,600
Contractual expense - PLOS	117,189	117,189	-	114,026
Auditing and accounting	3,050	2,824	(226)	2,213
Family place project	595	577	(18)	384
Data processing - database	750	675	(75)	973
Data processing - maintenance VLC	18,000	17,105	(895)	18,471
Data processing - supplies - catalog	3,960	3,023	(937)	3,826
Data processing - supplies - circulation	2,500	614	(1,886)	1,889
Prior year encumbrance	2,484	1,192	(1,292)	5,013
Total expenditures	932,585	887,036	(45,549)	840,352
Excess (deficiency) of revenues over (under) expenditures	(91,560)	(13,828)	77,732	(390)
Other financing sources				
Operating transfer in - SPL foundation	3,652	3,652	-	850
Excess (deficiency) of revenues and other financing sources over expenditures	\$ (87,908)	\$ (10,176)	\$ 77,732	\$ 460